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UNITED STATES VIRGIN ISLANDS

Working paper prepared by the Secretariat

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UNITED STATES VIRGIN ISLANDS 1/

I. GENERAL

1. The United States Virgin Islands is situated 75 kilometres east of Puerto Rico and comprises about 50 islands and islets, the largest of which are St. Croix (218 square kilometres), St. Thomas (73 square kilometres) and St. John (52 square kilometres). The capital of the Territory, Charlotte Amalie, is located on St. Thomas.

2. According to the latest census, taken in the United States Virgin Islands in 1990, the population of the Territory was 101,809 (St. Croix, 50,139; St. Thomas, 48,166; and St.John, 3,504). Females outnumbered males 52,599 to 42,210.

3. The climate of the Territory is subtropical and is moderated by the trade winds. The Territory has an average annual rainfall of 114 centimetres (45 inches) and lies within the hurricane zone. In September 1995, Hurricane Marilyn struck the Territory and caused extensive damage to the Territory's infrastructure, as well as to its residential, commercial and tourist facilities. According to press reports, the federal agencies committed at least US$ 1.5 billion in hurricane disaster assistance to the United States Virgin Islands. According to Governor Roy L. Scheiner, the Federal Emergency Management Agency (FEMA) allocated approximately $1 billion in its relief efforts. The United States Small Business Administration (SBA) launched a rebuilding loan scheme for territorial home and business owners, to be utilized to cover repair costs and to repay existing mortgages. The Federal Emergency Management Agency together with the Territorial Emergency Agency established a hurricane response programme in February 1996, which is intended to ensure that the Territory be self-sufficient for the first 72 hours after a hurricane occurrence. 2/

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

4. Detailed information on the territorial constitution, political parties and the 1994 general election is contained in the 1995 working paper prepared by the Secretariat (A/AC.109/2014, paras. 4-13).

5. During the period under review, discussions continued between the territorial Government and the administering Power over the transfer of Water Island to the territorial Government following the expiration in December 1992 of the lease to private developers. According to press reports, 3/ in December 1995, the United States Department of Interior announced that a tentative settlement plan had been agreed upon in principle. According to the same sources, the Bureau of Reclamation would proceed in 1996 with environmental assessments and work out the final agreement.

III. MILITARY INSTALLATIONS

6. It will be recalled that the United States Navy maintains in the Territory a radar and sonar calibration station and a headquarters building for its underwater tracking facility. There are permanent recruitment centres for the armed forces and a detachment of the United States Coast Guard on St. Thomas. The Virgin Islands National Guard is affiliated with the United States Army. The Territory remained a port of call for United States naval vessels and those of its allies (A/AC.109/2014, para. 19).

IV. ECONOMIC CONDITIONS

A. General

7. The economy of the Territory continues to be based on tourism and related services, construction and industrial development. Most manufacturing industries, including the Hess oil refinery, are located on St. Croix, while St. Thomas and St. John are primarily tourism-oriented. In 1994, the growth in gross domestic product (GDP) was registered at 5 per cent. 1/

B. Public finance

8. Information on territorial public finance for the fiscal year 1995 is contained in the 1995 working paper prepared by the Secretariat (A/AC.109/2014, paras. 21-23).

C. Agriculture, livestock and fisheries

9. The agricultural sector is small. Some food crops, sorghum, fruit and vegetables are produced for domestic consumption. Senapol cattle are being developed on St. Croix. 1/

D. Industry

10. The manufacturing sector consists of an oil refinery, production of aluminium oxide, and electronics, plastics, pharmaceuticals and watch assembly. In 1995, the total employment in the manufacturing sector stood at 5,000. 1/

11. The Hess oil refinery is the largest in the Western hemisphere and has a capacity of 550,000 barrels a day. 1/

E. International business

12. Information concerning international business is contained in the 1995 working paper prepared by the Secretariat (A/AC.109/2014, paras. 27-32).

13. During the period under review, the territorial Government continued its efforts to promote the United States Virgin Islands as an offshore financial services centre. As at the end of 1995, there were 4,000 United States foreign sales corporations registered in the Territory. During 1995, there was a significant increase in the number of captive insurance company registrations in the Territory. 4/

F. Tourism

14. Tourism accounts for over 60 per cent of the territorial GDP. In 1994, the number of air and cruise ship arrivals in the Territory equalled 1.92 million and 1.2 million, respectively. The tourist expenditure in 1994 totalled US$ 918.5 million. 4/

15. In November 1995, the Governor of the Territory signed the revised gambling legislation which is expected to increase tourist expenditure in the United States Virgin Islands. According to that legislation, hotels with over 200 rooms will be allowed to have casinos on condition that those hotels are more than 50 per cent owned by native Virgin Islanders. The native Virgin Islander is determined as "any person born in the Territory prior to 1927; any person who is an offspring of a parent or parents born in the Territory prior to 1927 or any person born outside the Territory to native Virgin Island parents while that parent was studying abroad, employed abroad or in active military service". 5/

G. Communications and basic facilities

16. Detailed information on communications and basic facilities is contained in the 1995 working paper prepared by the Secretariat (A/AC.109/2014, paras. 36-42).

V. SOCIAL CONDITIONS

A. Labour

17. As at June 1995, the labour force of the Territory totalled 47,650 and the number of unemployed was 2,570. 6/

B. Public health

18. Detailed information regarding public health is contained in the 1995 working paper prepared by the Secretariat (A/AC.109/2014, paras. 46-50).

19. As a result of damage inflicted by Hurricane Marilyn, St. Thomas Hospital was reported to be in need of urgent repairs to allow it to retain its Medicare accreditation with the Health Care Financing Administration. Repair work was reportedly hindered by delayed payment of the insurance settlement. 7/

C. Crime and crime prevention

20. In 1995, the United States Virgin Islands joined the International Drug Enforcement Conference (IDEC) as a full member. It is expected that participation in the Conference will allow the territorial authorities to stop the continued proliferation of illegal drug shipments to and via the United States Virgin Islands. 8/

D. Educational conditions

21. Education is free and compulsory for children up to the age of 16. There are 34 public schools in the Territory ranging from kindergarten to secondary level. 4/

22. Damage to schools inflicted by Hurricane Marilyn was estimated at US$ 56.5 million. It is expected that most of the reconstruction and repair costs will be met by FEMA. 9/

VI. FUTURE STATUS OF THE TERRITORY

23. Information relating to the 1993 referendum on federal status and future political status of the Territory is contained in the 1994 and 1995 working papers prepared by the Secretariat (A/AC.109/1183, paras. 15 and 16; A/AC.109/2014, para. 61).

Position of the territorial Government

24. Information on the position of the territorial Government is contained in the 1995 working paper prepared by the Secretariat (A/AC.109/2014, paras. 62-63).

Position of the administering Power

25. Information on the position of the United States on the future status of the Territories under their administration is contained in document A/AC.109/2047, para. 39.

Action by the General Assembly

26. On 6 December 1995, the General Assembly adopted by a recorded vote of 146 to 4, with 3 abstentions, resolution 50/38 B, section XII of which particularly refers to the United States Virgin Islands.

Notes

1/ The information contained in the present paper has been derived from published reports.

2/ The Daily News (United States Virgin Islands), 21 September, 4, 14 and 21 November and 4 December 1995 and 5 February 1996.

3/ Ibid., 21 December 1996.

4/ The United States Virgin Islands, Economic Summary 1995.

5/ The Daily News (United States Virgin Islands), 27 November 1995.

6/ The United States Virgin Islands Labour Statistics, June 1995.

7/ The Daily News (United States Virgin Islands), 8 February 1996.

8/ Ibid., 1 December 1995.

9/ The Daily News (United States Virgin Islands), 6 February 1996.